

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Southern California Gas Company (U904G) for Authority to increase its Gas Revenue Requirements to Reflect its Accomplishments for Demand-Side Management Program Years 1995 and 1997, Energy Efficiency Program Year 1999, and Low-Income Program Years 1998 and 1999 in the 2000 Annual Earnings Assessment Proceeding ("AEAP").

Application 00-05-002

And Related Matters.

Application 00-05-003
Application 00-05-004
Application 00-05-005
Application 01-05-003
Application 01-05-009
Application 01-05-017
Application 01-05-018
Application 02-05-002
Application 02-05-003
Application 02-05-005
Application 02-05-007

**ADMINISTRATIVE LAW JUDGE'S RULING
REGARDING SCHEDULE AND NEED FOR HEARINGS
ON LOW INCOME ENERGY EFFICIENCY EARNINGS CLAIMS
AND LOAD MANAGEMENT COST RECOVERY**

The purpose of this ruling is to address the need for evidentiary hearings for the review of Load Management Cost Recovery and the earnings claims related to Low Income Energy Efficiency (LIEE) programs.

In sum, I find that evidentiary hearings are not required to address the Load Management Cost Recovery issues or the 2000 and 2001 earnings claims issues associated with LIEE programs.

With respect to the 2002 Annual Earnings Assessment Proceeding (AEAP) claims for LIEE, I will address the need for evidentiary hearings when I have received the comments/testimony due on June 2, 2003. As discussed below, that testimony should include an evaluation of the LIEE load impact study in terms of whether it meets the study objectives and whether the methodology and results are reasonable.

LIEE Earnings Claims

Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company, collectively referred to as “the utilities,” have submitted claims for earnings associated with LIEE programs in their 2000, 2001, and 2002 AEAP applications. Per my March 19, 2003 ruling, interested parties were given the opportunity to provide additional comment on the utilities’ LIEE earnings claims and the need for evidentiary hearings.

The Office of Ratepayer Advocates (ORA) and Women’s Energy Matters (WEM) filed comments on March 28, 2003. Reply comments were filed by the utilities on April 4, 2003. I note that WEM did not comply with my direction that the additional comments be limited “to any additional technical or factual issues related to the specific claims submitted by the utilities under the LIEE shareholder mechanisms in place.”¹ Instead, WEM makes a series of accusations about program details that, if true, would be properly raised in proceedings

¹ March 19, 2003 ruling, p. 5. See also Reporter’s Transcript at 225-226.

examining the best way to deliver the programs,² and not the AEAP proceeding. ORA states that it does not protest the LIEE earnings claims associated with program years 1999-2001, based on its review of each of the AEAP applications. Since neither WEM nor ORA raises any issues related to the specific calculation of LIEE claims that require factual evidence, I determine that hearings are not needed. Accordingly, I will prepare for the Commission's consideration an ex parte decision addressing the LIEE earnings claims contained in the 2000, 2001 AEAPs.

However, with respect to the 2002 AEAP claims for LIEE earnings, the schedule set forth in my March 19, 2003 ruling provides an opportunity for further comment/testimony on June 2, 2003. ORA apparently does not protest these claims.³ However, ORA has not submitted any specific comments or review documents regarding the LIEE load impact study discussed in my March 19 ruling. The results of that study will be considered in the 2003 AEAP to update the performance earnings basis of the existing LIEE incentive mechanism for prospective earnings. Accordingly, I directed ORA (and any other interested parties) to evaluate the study and submit testimony on whether it meets the study objectives and whether the methodology and results are reasonable.⁴ Per my March 19 ruling, comments/testimony on 2002 AEAP claims associated with the LIEE program are due by June 2, 2003, with reply comments/testimony due

² Rulemaking (R.) 01-08-027 and related applications for the low-income programs and R.01-08-028 for the energy efficiency programs.

³ Comments of ORA on Low Income Energy Efficiency and Load Management Cost Recovery, March 28, 2003, p. 2.

⁴ March 19, 2003 Ruling, p. 5.

by June 16, 2003. By June 20, 2003, I will determine if evidentiary hearings are needed on the 2002 AEAP earnings claims for LIEE programs. Parties' comments/testimony should address technical or factual issues related to the specific claims submitted by the utilities under the LIEE shareholder mechanisms in place, as well as the load impact study discussed above.

Load Management Cost Recovery

Comments/testimony on the reasonableness of the administrative costs associated with the utility's interruptible tariffs and rotating outage programs ("load management") was due by March 28, 2003. No parties filed comments on this issue. Based on my review of the utility submittals, I believe that there is sufficient information with which to conduct a review of reasonableness without evidentiary hearings.

IT IS SO RULED.

Dated April 15, 2003, at San Francisco, California.

/s/ MEG GOTTSTEIN

Meg Gottstein
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail, to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached Administrative Law Judge's Ruling Regarding Schedule and Need for Hearings on Low Income Energy Efficiency Earnings Claims and Load Management Cost Recovery on all parties of record in this proceeding or their attorneys of record.

Dated April 15, 2003, at San Francisco, California.

/s/ KE HUANG

Ke Huang

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.